U S WEST's base rent reflects three items: the market value of the space being occupied, property taxes and common building operating costs. It does not include, security services, incremental space maintenance, -48 volt power cable installation, charges for enclosure build out, or humidification, all items that can reasonably be claimed as "non-common" expenses.

While base rent would include general central office maintenance (i.e., maintenance common to the total building and grounds as shown on line 33 of the TRP for Floor Space Function, recurring as $3.98/sf/yr), it does not include that additional (or incremental) maintenance that would not be required but for the presence of the EIC purchaser (e.g., the increased amount of labor and materials associated with maintaining the interconnector's environmental conditioning, such as cleaning, repair, heat, ventilation, and air conditioning). U S WEST, therefore, added a Maintenance Expense ($1600/space/yr shown on line 33 of the TRP for the recurring Floor Space Function) to the market value rental rates that were determined from the market survey.

U S WEST's decision represents a sound effort to identify a net rental rate for commercial space that incorporates a high degree of specialized improvements into an area of restricted use. Adding an incremental operation and maintenance expense cost for U S WEST central offices to the market survey net rental rate creates a fair and reasonable pricing strategy with regard to EIC services.

Likewise, security (see further discussion at (e)(1) below) is idiosyncratic to the EIC purchaser, because it is totally dependent on the kind of manned operations the EIC purchaser decides to have. Similarly, humidification is that optional humidification offered to EIC purchasers who choose hard wall enclosures and is not included in the "common" base rent.

U S WEST also added property tax ($ 1.43/sf/yr on line 27 of elements 17, 18, and 19 of the TRP sheets for Floor Space Function) to the market value rental rates that were determined from the market survey.

U S WEST's floor space charge rate structure cannot seriously be argued to be unreasonable. While it may not be as "bundled" as traditional commercial rents, its structure violates no federal regulatory pricing principles. In fact, it is entirely consistent with Commission "unbundling" principles.

> (3) "Companies that based their floor space rates on data from the R.S. Means publication, the BOMA publication, or any other similar publication should provide copies of the relevant pages of these publications. Included in these pages should be any information regarding whether the publications' rental rates include any property taxes, overhead loadings, utility costs, or tenant accommodation costs. LECs should also document any adjustments they made to the data reflected in these publications."[48]

U S WEST did not base our floor space rates on data from any formal or readily-available publication. Thus, this question is not applicable to us.

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[48] Investigation Order at 13, Item (f)(3).

(4) "Companies that based their floor space rates on the costs in a sample of central offices rather than all central offices should explain the basis on which they chose their sample. In particular, companies should identify the cities and central offices used in the sample and how the costs of these cities and central offices were averaged."[49]

U S WEST did not base our floor space rates on costs in samples of central offices. Our floor space rates were derived as discussed in II(A)(2)(b)(1) above.

(c) Power Charges

(1) "All LECs should provide the equations used to compute the costs of the AC power cost included in the cost of DC power. The LECs should explain all variables and parameters used in the equations."[50]

The DC Power rate element is comprised of three separate sub-elements: (1) the AC power cost (AC power to provide DC power and the AC power to cool the DC power heat load); (2) the investment in the equipment which converts AC to DC power, and (3) the investment in the equipment which provides the back up power.

The AC power costs charged to U S WEST by the utility companies providing the power have been passed straight through

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[49]Id. at 13, Item (f)(4).

[50]Id. at Item 13, (g)(1). Items (g)(2) and (3) are LEC specific and they do not pertain to U S WEST. Thus, they are not reflected in the text of our instant response.

to the interconnector.[51] The equipment investments are very reasonable, especially considering that U S WEST assumed that existing capacity would be used to meet interconnectors' needs. Thus, no incremental investment in the DC power plant was assumed to be added at the time of the EIC service offering.

U S WEST's EIC Tariff provision is reasonable, and it should be sustained.

U S WEST used the following equation to develop the cost of AC power that is included in the DC power cost:

DC power $/amp/yr = [(1kw/1000w)x(8760 hours/year) x (utility cost $/kwh) x 1.18 x 48]

where;
- 1kw = one kilowatt
- 1000w = 1000 watts
- 8760 = number of hours in one year
- utility cost $/kwh taken from Table F for each state
- 1.18 = efficiency factor for rectifier AC to DC conversion
- 48 = voltage of the DC power

DC power for interconnector equipment for each state provided in TABLE F below:

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[51]As TABLE F demonstrates, the AC power costs charged to U S WEST by the various power utility companies that serve us vary substantially (from $.0375 per kilowatt hour to $.0967 per kilowatt hour -- almost a three-fold difference) within our fourteen-state region.

TABLE F

STATE	Utility Cost ($/kwh)	Power cost for interconnector equipment($/amp/yr)
Arizona	0.0967	47.98
Colorado	0.0573	28.43
Iowa	0.0614	30.46
Idaho	0.0540	26.79
Minnesota	0.0628	31.16
Montana	0.0441	21.88
North Dakota	0.0606	30.07
Nebraska	0.0667	33.09
New Mexico	0.0745	36.96
Oregon	0.0438	21.73
South Dakota	0.0706	35.03
Utah	0.0564	27.98
Washington	0.0375	18.61
Wyoming	0.0469	23.27

The $/amp for interconnector equipment is displayed on the DC Power Generation Function TRP Chart.

(d) Cross-Connection Charges and Termination Equipment Charges[52]

(1) "Some companies include repeaters in provision of cross-connection service. All LECs should state what percentage of cross-connected circuits are assumed to require repeaters for the purposes of calculating cross-connection charges. LECs that use repeaters or

[52]See Investigation Order at 13, Item (h).

> similar equipment in provision of cross-connection service should explain why such equipment is necessary."[53]

U S WEST envisions repeaters being necessary to provision EIC service in the majority, though not all, cases. Repeaters are required because of the distance limitations of the electrical signal within the central office. The distance limitations are U S WEST's accepted standards for the delivery of a DS1 and DS3 templated signal.

Using U S WEST's standard cable types, the distance limitations for a DS1 is 85 feet and for a DS3 is 27 feet. A repeater would be required in the majority of cases to extend the DS1 and DS3 templated signal beyond these distances. Once a repeater is added, the distances increase to 655 feet for DS1 and 450 feet for DS3 services.

In arriving at the costs for the EIC cross-connect element, U S WEST reviewed its top 144 central offices where EIC was expected to occur. Those offices were identified from input from potential interconnectors.

After identifying the offices, a survey was done as to how demand for EIC services might actually be provisioned in those offices. From that survey, it was determined that there were four different provisioning models that were easily identifiable and could be expected to be utilized. Each of these models represented different distances between the interconnector's

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[53] Id. at 13, Item (h)(1) (footnote omitted).

equipment in the leased physical space and U S WEST's shared network DSX panels (frequently as a result of the interconnector's space being on a different floor, sometimes a number of floors away).

The capital investment identified to provide service under each model required investments specific to the distances studied, including cabling, DSX panels, repeaters and fiber optic terminals. Thus, in some models no repeaters were necessary; while in others up to two repeaters were necessary. The cost of the repeaters and fiber optic cable was weighted based upon the number of times they would be required, due to the distance limitations stated above.

A weighting of these capital investments was then done for Physical and Virtual designs, based on anticipated customer demand. It was estimated that 90% of the time the cross-connection would be physical and 10% would be virtual. The result represents U S WEST's cross-connection cost. The following weightings were used:

Designs	Physical	Virtual
0 repeater	5%	90%
1 repeater	50%	10%
2 repeater	35%	0%
fiber optic terminal	10%	0%

(2) "All LECs should explain whether they are using a centralized or distributed collocation configuration and the benefits and drawbacks (from both an engineering and cost perspective) associated with each kind of system."[54]

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[54] Id. at 14, Item (h)(2).

U S WEST is using the centralized collocation configuration for the DSX and repeater used in the cross-connection designs. The benefit of that design is that the cost is lower to the interconnector because they are charged only for the portion of the equipment used versus being charged for the entire cost of the equipment. This results in more efficient utilization of space within the central office.

One potential drawback of the centralized configuration is the increased importance of accurate and detailed termination records by the LEC. It is critical, in such a configuration, that accurate termination records identifying which interconnector is terminated at which point be kept.

A drawback to the distributed collocation configuration is that it would be more costly to the interconnector as the total cost of the equipment would need to be charged up-front to ensure recovery of the cost.

One benefit to the distributed configuration is the decreased chance of error in rearranging circuits as it would be dedicated to one interconnectors.

(3) "All LECs that included a POT frame or POT bay as part of their investment for any rate element should explain why this piece of equipment is necessary for provision of interconnection service, and why cross-connection cannot instead be established directly from the interconnector's cage to their MDF."[55]

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[55] Id. at 14, Item (h)(3).

As an aspect of our EIC service, U S WEST does provision a DSX, which is placed within the interconnector's leased physical space. This DSX serves as a termination point for U S WEST's EIC service. Also at this DSX, the interconnector meets the U S WEST channel termination to complete the connection to its own services.

The DSX is necessary because it: 1) establishes a clear demarcation point for the isolation of trouble and establishes responsibility for repair; 2) allows U S WEST to hand off a templated DS1/DS3 signal, which is the standard signal characteristic for DS1 and DS3 signal handoff; and 3) provides the interconnector the flexibility to connect any channel of their DSX to any channel on U S WEST's DSX.

The testing and monitoring capabilities of the DSX are critical to quickly and easily determine the source of a network problem with minimal disruption to service; and to identify whether the LEC or interconnector is responsible for correcting the problem. These important functions are simply not available on a LEC Main Distribution Frame ("MDF").

(e) Security Provisions[56]

(1) "LECs should justify any security requirements they impose on interconnectors. LECs should address whether it is reasonable to require LEC-provided security escorts when an interconnector is merely going to and from the collocation area to work on its own equipment; when an interconnector is working in common operational areas such as LEC vaults, manholes, risers, and racks;

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[56]See id. at 14, Item (i).

> and when an interconnector needs to reach its collocated space in unstaffed offices or during off-hours visits, particularly under emergency circumstances."[57]

While this matter is discussed in the Investigation Order under the general subject matter of LEC "charges," it really is addressed more to the substantive matter of LEC security requirements and their reasonableness.

Certain parties who filed Petitions to Reject and/or Suspend U S WEST's EIC tariff complained about our security/escort provisions.[58] Those provisions require that an interconnector's employee entering onto our property be escorted, both in and out of the building and during the time the employee remains on the premises. Far from being "petty restrictions on security arrangements,"[59] or evidencing "unwarranted paranoia,"[60] or holding interconnectors "financially and operationally hostage to . . . LEC suspicions,"[61] these provisions are eminently reasonable. Indeed, MFS has similar provisions applicable to

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[57] Id. at 14, Item (i)(1).

[58] See U S WEST EIC Tariff, at § 21.4.2(I). And see, e.g., Sprint Communications Company L.P. ("Sprint") filed Mar. 15, 1990, at 19 ("elaborate security systems"); TDL at 5, 8; TCG App. A, at Item 6.

[59] TDL at 8.

[60] Id. at 5.

[61] TCG App. A, at Item 6, p. 3.

LECs collocated on its premises.[62] In many particulars of tariff phrasing, U S WEST took its lead from MFS's tariff.

U S WEST's EIC security requirements were recommended by U S WEST's Asset Protection Organization. That organization made its recommendations only after reviewing the Commission's Expanded Interconnection Order.

In U S WEST, central offices are designated as "critical facilities" because of the physical and informational assets contained within them; and because of their extreme importance to delivering telecommunications services to customers. U S WEST is fully cognizant of its responsibility to ensure privacy of communications, maintain the security of company communications equipment, safeguard company assets from theft and destruction and protect both employees and various customer entities from harm. That responsibility is taken seriously.

On February 1, 1993, after a full review of the Commission's Expanded Interconnection Order had been completed, U S WEST adopted a "Physical Access Control Policy." That policy observes that "central offices are secure buildings and are not for use by the general public," and goes on to require that "only controlled access" will be allowed with regard to interconnectors. Furthermore, that policy declares that:

> unless the area occupied by the interconnector is accessed through a separate entrance from outside the facility, an escort will be provided by U S WEST

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[62]See Appendix I, MFS PA. Tariff at Section 5.b, page 3A, effective November 30, 1992.

> employees or an escort service under the control of U S WEST. In such case, the interconnector will be escorted during the full time the interconnector's employees are on U S WEST's property. The cost for such escort service will be borne in full by the interconnector.

At the same time U S WEST developed the central office access standards for EIC, a team of Security, Network and Internal Auditing representatives were working to develop control standards for central offices. That team was developed as a result of certain internal auditing findings regarding access controls at key central offices, the security of the SS7 switch and disaster recovery planning, as well as security concerns expressed by carriers related to the effects of potential revenue and equipment losses at key central offices. These issues came into particular focus as a result of the near loss of major switching equipment during the World Trade Center bombing.

It became apparent to U S WEST personnel that many of the key central offices which contain significant revenue generating equipment, such as SS7 and LATA tandems, as well as other equipment related to government operations and national security, would also be locations affected by EIC. The potential for disruption of services to carriers, the government, and end user customers by EIC should there be inadequate security at these facilities appeared evident. The losses themselves could be devastating to various entities, both from the aspect of service and revenue loss and with regard to potential U S WEST liability

(or, equally distasteful, claims of liability) for failure to take necessary and reasonable security precautions.

Based on the above facts, U S WEST determined that central offices are critical facilities which are to be secure buildings, and are not for use by the general public (including U S WEST employees, vendors and contractors) who do not have a need to be in those facilities.

Due to the nature of the equipment which interconnectors will be installing pursuant to the Commission's Expanded Interconnection Orders, interconnectors will be located in parts of most central offices which cannot be segregated by separate entrances to the building. Most often an interconnector's employees and/or contractors will have to access U S WEST's common central office facility, and move through that facility, to reach their equipment. That access and movement will, undoubtedly, involve being in spaces that include both U S WEST equipment and the equipment of other interconnectors.

Additionally, many of the U S WEST's central offices that will be subject to EIC service are unmanned either part or all of the time. In such a circumstance, U S WEST cannot permit a third party to occupy portions of its real estate without having a U S WEST employee (or an agent of U S WEST) on the premises.

The fact that not all LECs have made the determination that 24-hour escorted access is the appropriate level of security required by their company in no way implies that U S WEST's business decision is unreasonable. U S WEST is not required to

suffer some unfortunate incident before it is permitted to require the kind, and type, of security it deems appropriate to protect both its own assets and those of others.[63] It is the interconnectors who demanded occupancy in LECs' central offices, not the LECs who invited them in. It is the interconnectors who must bear the "cost" (which now is represented in financial terms) of being there. If they want access to the real estate, they must assume the additional burden borne by the LECs in having them there. Interconnectors simply cannot have it both ways.

Contrary to TCG's arguments,[64] U S WEST's pricing for security services is reasonable. U S WEST has devised the most cost and time efficient method of controlling access to central offices in both emergency and non-emergency situations. Current U S WEST plans are to hire a locally-based independent contractor "security service," which employs specifically-trained guards.

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[63]U S WEST, not the interconnectors, are ultimately responsible for the secure and sound operation of the majority of the public switched and special network. It is the LECs that get interrogated by Congress, and work with regulatory agencies, on network security issues. With the responsibility, comes the authority to secure the network, and the essential facilities of that network (in the security, not anti-trust sense) as the responsible party sees best appropriate.

Thus, TCG's argument that it should have emergency access without escorts, because "[t]he interconnector's access to the office to address its emergency must take precedence over the LEC's concern about general security for its system" (TCG at App. A, Item 6, p. 4 (emphasis added)), is obviously myopic. Such a position hardly advances, and might well retard, the public interest.

[64]See TCG App. A, at Item 6.

The security service will be contacted through an "800" number to facilitate immediate 24-hour-a-day contact and dispatch.

U S WEST's rates to interconnectors for this "on demand" service are composed of the rate charged to U S WEST by the security service, marked up only to account for the costs associated with tracking the hours and preparing a bill for interconnectors.

The fact that U S WEST will include escort "travel time" in the charges billed to interconnectors should not be surprising. Such charges would be included if a U S WEST employee were to do the travelling. And, travel time is often included in the prices charged by certain service providers (i.e., plumbers, electricians, etc.).

The level of security reflected in the EIC tariffs and the "costs" associated with that level of security, should be borne by the "cost causer,"[65] i.e., the presence of an unaffiliated entity in its central office,[66] and not by the LEC.

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[65]TCG argues that the costs of "shadow[ing]" interconnector employees should be assumed, i.e., eaten, by the LECs. See TCG at App. A, Item 6, p. 3. While the "presence" of interconnector employees is known to the LEC, nothing beyond their name and the fact that they are present is known. In such a situation, the presence of third parties, unknown to the LEC other than through Commission mandate, warrants passing along these costs to those whose presence generated them.

[66]It is interesting what a turn of a phrase can do to an argument: TCG argues that the LECs are requiring interconnectors to use LEC-provided security escorts "to gain access to their [i.e., interconnectors'] equipment." See id. at p. 1. U S WEST believes the issue is better phrased by stating that the LECs are requiring the interconnectors to use LEC-provided security escorts "to gain access to their [i.e., LECs'] central office

(continued...)

(f) Virtual Collocation Rates[67]

U S WEST is not required to provide any information regarding this matter.

B. Rate Structures: "Are the rate structures established in the LECs' expanded interconnection tariffs reasonable?"[68]

1. Bundling of Rate Elements

"LECs should address the question of whether the rate structures established in their expanded interconnection tariffs contain excessive bundling of rate elements. LECs that have not tariffed separate rate elements for items such as space

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[66](...continued)
space, which now contains other providers' equipment." Both for the security of the LECs' equipment and plant, as well as for the security of other interconnectors' equipment on premises, the LECs are clearly acting prudently.

The absurd length to which some of the commentors go in objecting to this eminently prudent conduct is epitomized by TCG. TCG argues that the LECs' provisions are "especially unfair given that the LEC does not limit its own access to its central offices[.]" Id. at p. 2. Of course we don't. It would be nonsensical for us to limit such access. These kind of observations really call out for a cry of "Who's in charge here?"

But, TCG goes further. It argues that because we do not limit our own employees from our own central offices that we will "be able to 'compete' with interconnectors by promising customers that it can keep its competitors from fixing their equipment but will restore its own outages promptly." Id. At least TCG had the candor to put the word "compete" in quotes. These kind of incredible, unproven, pre-libelous remarks get very tiresome. The Bureau should accord them exactly the weight they are worth: less than none.

[67]See Investigation Order at 14, Item (j).

[68]Id. at 15(B).

> preparation, cage construction, frames, panels, cabling, or racks, should explain what they did instead and why this is reasonable. LECs that bundle cage construction charges with space preparation charges should explain why it is reasonable to do so, and why having a separate cage construction charge is not a reasonable alternative. LECs that bundle other charges into their floor space rental rates should explain exactly what charges are included and why they believe it is appropriate to bundle the charges in this manner."[69]

U S WEST has introduced an unbundled rate structure. Separate rate elements were filed for the entrance enclosure, conduit/innerduct, core-drill, riser, -48 Volt DC power cable installation and enclosure buildout.

The panels and cabling components were bundled in the EICT DS1 or DS3 channel termination (cross-connection charge), because they are required to provide the necessary DS1 and DS3 interface and are dependent upon each other for this interconnection.

The riser component includes both the riser for vertical movement between floors and the racks for movement on each floor for the fiber optic cable. Frames are not considered as a separate rate element but are included in the factors applied to the investment to derive a total installed investment amount.

An additional example of U S WEST's EIC service flexibility is the fact that an interconnector has the option of having U S WEST provision the entrance enclosure, conduit/innerduct, splicing and fiber placement; or the interconnector may provision the entrance structure itself.

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[69] Id. at 18, Item (a).

2. Central Office Construction Charges: "LECs should justify the rate structures they have chosen to recover central office construction charges."[70]

(a) "LECs that assess nonrecurring charges to recover interconnector-specific construction costs should explain how such a rate structure will avoid double recovery of costs....[A]ny LEC that includes the present discounted value of future maintenance expenses in nonrecurring construction charges should explain why it is reasonable to do so."[71]

U S WEST's EIC Tariff demonstrates a one-time up-front construction charge (identified in response to II(A)(1)(b)(1), for Interconnector-Specific Construction Function, Nonrecurring Rate Elements 1 through 17).[72] U S WEST's rate structure, wherein all the construction costs are recovered up front, is a fiscally responsible rate structure for someone in U S WEST's position.

U S WEST has no idea what the market demand for EIC service is or will be. We did not fashion this offering at our own initiative in response to demonstrated market needs. Thus, we have little information at our disposal that would educate us as to the proper cost and capital recovery for such an offering.

U S WEST has structured our EIC rates to minimize capital recovery risks. U S WEST's service is a month-to-month service

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[70] Id. at 18, Item (b).

[71] Id. at 18, Item (b)(1).

[72] Fifty percent of this one time up-front cost is due before construction starts and the remaining fifty percent is due upon completion of the construction buildout for the interconnector.

(rather than one for an extended term, with relevant "termination charges"). It is important that we recover the full capital outlay associated with each interconnector's request for service, because there may be no one in line for it when the interconnector leaves. U S WEST is unwilling to assume the risk that, once the interconnector leaves, the space in question will not be desirable.[73]

U S WEST does not "double recover" as a result of our rate structure. None of our recurring rates are structured to recover enclosure construction costs. Nor have we included any present discounted value of future maintenance expenses in our nonrecurring construction charges.[74]

(b) "LECs should describe and justify the method by which they are recovering common construction costs. Some LECs are charging interconnectors a portion of common construction costs based on total estimated demand by interconnectors for central office space. Such LECs should explain and document their demand estimates. Other LECs charge common construction costs to the first interconnector, with a pro rata refund if other interconnectors take service within a specific time period. Such LECs should justify the time period they chose and explain why there should be any time limit on such refunds. LECs that charge the total amount of common construction to the first interconnector with no provision for a pro rata refund should explain why such

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[73]As EIC service play out in the marketplace, it may well be that there are "pockets" of demand and that considerable movement takes place, with certain offices being vacated and others being in great demand. Before U S WEST would be willing to move to a different rate structure, we would have to have some experience of the market response associated with our EIC offering.

[74]This is supported by the recurring rate elements that are identified in the TRP, in which U S WEST does not identify capital recovery factors for interconnector-specific construction costs.

a rate structure does not unreasonably disadvantage the first interconnector."[75]

Common construction costs[76] are split between each group of three interconnectors that occupy the same central office location.[77] The associated costs are outlined and displayed on pages 12 and 13. It is both practical and reasonable to estimate and design the electrical feed to serve three interconnectors instead of one interconnector because of the construction savings realized by consolidating the electrical distribution for interconnectors within one central office location.

(c) "LECs that require interconnectors to pay some or all construction or other nonrecurring charges prior to commencement of the work should explain why they believe such a requirement is reasonable."[78]

U S WEST requires an interconnector to pay 50% of all applicable nonrecurring charges, prior to commencement of work. This down payment serves as a good faith demonstration that the interconnector is serious about purchasing EIC service and to cover upfront costs.

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[75]Investigation Order at 18-19, Item (b)(2).

[76]Common construction consists of an alternating current 120/208 volt electrical panel and feeder from the existing electrical system.

[77]The first interconnector pays one third of the total cost of the electrical feeder and panel, the second interconnector pays one third, and the third interconnector pays one third of the total cost. After the third interconnector has completed payment for occupancy, then all common construction costs for the first three interconnectors will have been recovered by U S WEST.

[78]Investigation Order at 19, Item (d).

U S WEST incurs contractual agreements with others when it enters into an EIC service agreement with an interconnector. In addition to the planning and design work associated with the proposed leased physical space, U S WEST begins ordering materials to begin construction of that space. Some assurances of an economic return (or, at least, protection from out-of-pocket losses) is warranted before U S WEST should be expected to proceed. Furthermore, a request for an upfront payment emulates the way the real estate industry conducts business, by requesting payments to be made at identified stages of the project with a balance due upon completion of the project.[79]

The manner in which U S WEST has structured its EIC service, so as to provide the most flexibility possible for interconnectors, means that U S WEST has no fixed-term contract with the interconnector and no "termination charge" liability. Therefore, U S WEST is at economic risk if an interconnector abandons the project prior to its leased physical space occupation. It is a reasonable business practice for U S WEST to require some "up front" money from an interconnector so that this risk is, at best, shared.

2. Nonrecurring Equipment Charges: "LECs that charge a NRC for equipment instead of recovering the cost of such equipment through recurring charges should explain why they believe this is reasonable. Such LECs should

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[79]In this regard, Sprint's observation to the contrary is erroneous. See id. at 17 ¶ 27 and n.85.

> explain whether the equipment is dedicated for its full life to the interconnector that pays the NRC."[80]

U S WEST calculates the nonrecurring charge for equipment using the same cost methodology as used in U S WEST's Tariff FCC No. 2 (Special Construction Tariff) to develop costs for "other than normal" and "facility other than normal."

The equipment is dedicated to the interconnector for its full life. In light of the fact that U S WEST offers month-to-month EIC service, to ensure that all costs associated with the service are recovered, U S WEST treats the equipment as nonreusable investment. U S WEST has no forecasted information indicating how long an interconnector will occupy space within a central office and has no guarantee of the length of the occupancy by the interconnector.[81]

> 3. Electric Power: "LECs that provide electric power in increments and not on an actual usage basis should explain why they chose the increment level they did, why they cannot or will not supply power in smaller increments, why they cannot or will not supply power on an actual usage basis, and why the choice they made is reasonable."[82]

U S WEST's EIC Tariff states that U S WEST will provide electric power based on amperage levels actually requested by an

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[80] Id. at 19, Item (c).

[81] An interconnector who terminates service with U S WEST after a month incurs no separate "termination charge," that might be used to offset the cost of the dedicated equipment. This renders U S WEST's proposed methodology all the more reasonable.

[82] Investigation Order at 19, Item (e).

interconnector. The amperages (20, 40 and 60) used in developing the nonrecurring charge for the -48 Volt Power Cable Installation rate element were based on the most likely current draw of known transmission equipment available in the industry.

Although there will not be individual metering performed for each interconnector, each feed will be fused for the amperage indicated by the customer. For example, an interconnector might order 30 amps of -48V DC power. The interconnector will be billed a nonrecurring charge for the 40 amp capacity provided on the A and B power cable feeds, i.e., the interconnector will be billed at the capacity break point (i.e., 20, 40, or 60 amp) equal to or greater than the actual amperage requested. However, on a recurring basis, the interconnector will only be billed for the requested 30 amps.

It is U S WEST's experience that fiber and microwave power usage does not fluctuate to the extent that metering devices are justified. Providing a power-usage rate element that is based on actual interconnector usage would require additional nonrecurring costs for the installation of expensive metering devices; costs that would obviously have to be recovered from the interconnector.

Installing metering devices would also increase recurring charges to the interconnector, in the form of additional operating costs for reading, recording, and invoicing for power usage. U S WEST considers a power-usage rate element based on actual usage a cost disadvantage to the interconnector, rather

than an advantage. U S WEST's EIC Tariff in this regard is eminently reasonable, and it should be sustained.

> 4. Extraordinary and Unanticipated Costs: "LECs whose tariffs contain provisions allowing the LEC to charge for additional, extraordinary, or individually determined costs (i.e., costs that are not specifically and individually listed in their tariffs) should explain why inclusion of such provisions is reasonable. These LECs should also define the term they use to permit recovery of such costs (e.g., additional, extraordinary)."[83]

U S WEST recently removed a provision from its EIC Tariff that would have allowed us to charge for extraordinary costs, such as asbestos removal, increasing the DC power system infrastructure capacity, increasing the capacity of the standby AC system or the existing commercial power facility, or other modifications required by local ordinances.[84] However, U S WEST feels that it is not inherently unreasonable for a LEC to recover costs incurred due to extraordinary circumstances, to the extent that those circumstances can be identified and the specific costs determined.

U S WEST is in the process of attempting to identify the kind of "extraordinary" situations that might result in such

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[83] Id. at 19, Item (g).

[84] U S WEST Transmittal No. 390, filed August 6, 1993, effective August 7, 1993.

costs. We intend to amend our EIC Tariff accordingly, when such situations have been identified.[85]

C. "Are the LECs' provisions regarding interconnection space size, expansion, and location reasonable?"[86]

1. Minimum/Maximum Square Footage Requirements for Initial Space Occupation

> "LECs should specify whether they established minimum and/or maximum space requirements for the initial interconnection and/or any subsequent expansion of an interconnector's collocation space. LECs that require a minimum square footage for an initial and/or expansion of a collocation space should explain why the minimum space requirement was chosen, why they believe it is reasonable, and why a smaller space requirement or a negotiated space size are not reasonable alternatives. LECs that established a maximum square foot limit for collocation space for one collocator should explain why this limit was chosen, why they believe it is reasonable, and why having no space limitation is an unreasonable alternative."[87]

Square Footage Requirements for Initial Occupation

U S WEST's EIC Tariff sets reasonable minimum/maximum square footage requirements for initial interconnector occupancy of 100 and 400 square feet respectively.[88] As a practical matter, U S WEST's minimum square footage requirement allows an entity

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[85]U S WEST has not responded to Investigation Order at 19, Item (f) because that inquiry is LEC specific and U S WEST is not an appropriate respondent.

[86]Id. at 19.

[87]Id. at 21.

[88]See U S WEST EIC Tariff at § 21.4.1.6(A).